

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2315 – HB 2142

March 26, 2014

SUMMARY OF ORIGINAL BILL: Authorizes home rule municipalities and counties having a metropolitan form of government to create a land bank corporation. Eliminates the Tennessee Local Land Bank Pilot Program.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

Other Fiscal Impact - Due to multiple unknown factors a precise impact to local government cannot reasonably be determined, however any impact will be permissive.

SUMMARY OF AMENDMENT (015396): Adds applicability of the provisions of the original bill to Blount County.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the Office of the Comptroller of the Treasury, the provisions of the bill as amended will not fiscally impact the agency.
- According to the Department of Economic & Community Development, the department will not be fiscally impacted by the bill.
- According to the Department of Revenue, the department will not be fiscally impacted by the provisions of the bill.
- The provisions of the bill as amended are permissive and would apply to the fourteen home rule municipalities: Chattanooga, Clinton, East Ridge, Etowah, Johnson City, Knoxville, Lenoir City, Memphis, Mt. Juliet, Oak Ridge, Red Bank, Sevierville, Sweetwater, and Whitwell; the three counties with a metropolitan form of government: Davidson, Moore, and Trousdale; and Blount County.

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- Pursuant to Tenn. Code Ann. § 13-30-104, a land bank corporation is created upon a majority vote of the local legislative body. Participating local governments will then provide funds for the initial administration of the land bank corporation and provide funding, grants, or appropriate money to the land bank corporation as directed by the local legislative body.
- Under current law, the land bank corporation, once created, has the power to create a land bank from real property located within the boundaries of the creating local government; enter into contracts for the management of the property; and design, develop, construct and otherwise improve the real property. Real property held within the land bank is tax exempt.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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